



Billing Code: 5001-06

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal Nos. 15-06]

36(b)(1) Arms Sales Notification

AGENCY: Department of Defense, Defense Security Cooperation Agency.

ACTION: Notice.

SUMMARY: The Department of Defense is publishing the unclassified text of a section 36(b)(1) arms sales notification. This is published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996.

FOR FURTHER INFORMATION CONTACT: Ms. B. English, DSCA/DBO/CFM, (703) 601-3740.

The following is a copy of a letter to the Speaker of the House of Representatives, Transmittals 15-06 with attached transmittal, policy justification, and Sensitivity of Technology.

Dated: March 27, 2015.

Aaron Siegel,
Alternate OSD Federal Register Liaison Officer,
Department of Defense.



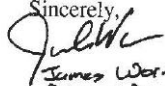
DEFENSE SECURITY COOPERATION AGENCY
201 12TH STREET SOUTH, STE 203
ARLINGTON, VA 22202-5408

MAR 19 2015

The Honorable John A. Boehner
Speaker of the House
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, we are forwarding herewith Transmittal No. 15-06, concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance to The Netherlands for defense articles and services estimated to cost \$1.05 billion. After this letter is delivered to your office, we plan to issue a press statement to notify the public of this proposed sale.

Sincerely,

James Worm
Principal Director Business Operations
for
J. W. Rixey
Vice Admiral, USN
Director

Enclosures:

1. Transmittal
2. Policy Justification
3. Sensitivity of Technology



Transmittal No. 15-06

Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control Act, as amended

- (i) Prospective Purchaser: Netherlands
- (ii) Total Estimated Value:

Major Defense Equipment*	\$.900 billion
Other	<u>\$.150 billion</u>
TOTAL	<u>\$1.050 billion</u>
- (iii) Description and Quantity or Quantities of Articles or Services under Consideration for Purchase: 17 CH-47F Cargo Helicopters with customer unique post-modifications, 46 T55-GA-714A Aircraft Turbine Engines with Hydro-Mechanical Assembly (34 installed and 12 spares), 41 Embedded Global Positioning System/Inertial Navigation Systems (EGIs), 54 AN/ARC-231 Ultra High Frequency/Very High Frequency Radios, 21 AN/ARC-220 High Frequency Radios, 21 AN/APX-123A Identification Friend or Foe Transponders, and 41 AN/ARC-201D Very High Frequency Radios. Also included are spare and repair parts, support equipment, tools and test equipment, aircraft ferry and refueling support, personnel training and training equipment, publications and technical documentation, U.S. government and contractor technical, and logistics support services, and other related elements of logistics and program support.
- (iv) Military Department: Army (WGO)
- (v) Prior Related Cases, if any: None
- (vi) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None
- (vii) Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold: See Annex attached.
- (viii) Date Report Delivered to Congress: 19 Mar 15

* As defined in Section 47(6) of the Arms Export Control Act.

POLICY JUSTIFICATION

Netherlands – CH-47F - Aircraft

The Government of Netherlands has requested a possible sale of 17 CH-47F Cargo Helicopters with customer unique post-modifications, 46 T55-GA-714A Aircraft Turbine Engines with Hydro-Mechanical Assembly (34 installed and 12 spares), 41 Embedded Global Positioning System/Inertial Navigation Systems (EGIs), 54 AN/ARC-231 Ultra High Frequency/Very High Frequency Radios, 21 AN/ARC-220 High Frequency Radios, 21 AN/APX-123A Identification Friend or Foe Transponders, and 41 AN/ARC-201D Very High Frequency Radios. Also included are spare and repair parts, support equipment, tools and test equipment, aircraft ferry and refueling support, personnel training and training equipment, publications and technical documentation, U.S. government and contractor technical, and logistics support services, and other related elements of logistics and program support. The estimated cost is \$1.05 billion.

The Netherlands is one of the major political and economic powers in Europe and NATO and an ally of the United States in the pursuit of peace and stability. It is vital to U.S. national interests to assist the Netherlands to develop and maintain a strong and ready self-defense capability.

The proposed sale of CH-47F aircraft will improve the Netherlands' capability to meet current and future requirements for troop movement, medical evacuation, aircraft recovery, parachute drop, search and rescue, disaster relief, fire-fighting, and heavy construction support. The Netherlands will use the enhanced capability to strengthen its homeland defense, deter regional threats, and provide direct support to coalition and security cooperation efforts. The CH-47F aircraft will supplement and eventually replace the Royal Netherlands Air Force's aging fleet of CH-47 helicopters. The Netherlands will have no difficulty absorbing this aircraft into its armed forces.

The proposed sale of these helicopters and support will not alter the basic military balance in the region.

The principal contractor will be the Boeing Helicopter Company in Philadelphia, Pennsylvania. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will not require the assignment of any additional U.S. government or contractor representatives to the Netherlands.

There will be no adverse impact on U.S. defense readiness or acquisition timelines as a result of this proposed sale.

Transmittal No. 15-06

Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control Act

Annex
Item No. vii

(vii) Sensitivity of Technology:

1. The CH-47F is a heavy lift, newly manufactured aircraft. The CH-47F has the Common Avionics Architecture System (CAAS) cockpit, which provides aircraft system, flight, mission, and communication management systems to the flight crew. The CAAS consist of two dual-redundant MIL-STD-1553B data busses and an Ethernet LAN capable of supporting both IEEE 802.3 and ARINC 664. The CAAS includes five multifunction displays (MFDs), two general purpose processor units (GPPUs), two control display units (CDUs) and two data concentrator units (DCUs). The Navigation System will have two Embedded Global Positioning System (GPS)/Inertial Navigation System (INS) (EGIs), two Digital Advanced Flight Control System (DAFCS), one ARN-149 Automatic Direction Finder, one ARN-147 (VOR/ILS marker Beacon System), one ARN-153 Tactical Airborne Navigation System (TACAN), and two air data computers, one Radar Altimeter systems. The communications suite consists of two AN/ARC-231 Multi-mode radios providing Very High Frequency (VHF) FM, VHF-AM, Ultra High Frequency, Have Quick II and Data Management Satellite Communications, and two AN/ARC-201D Single Channel Ground and Airborne Radio Systems (SINCGARS) with associated Internet Download Manager. The APX-123 Identification Friend or Foe (IFF) will provide the additional functionality of dual IFF Mode 4/5. The AN/APX-123 Transponder will be classified Secret if Mode 4, or Mode 5 cryptographic key is loaded in the equipment.

2. Identification and security classification of classified equipment, major components, subsystems, software, and technical data (performance, maintenance, operational (R&M, etc), documentation, training devices, and services are classified up to Secret.

3. The Embedded GPS/INS (EGI) unit provides GPS and INS capabilities to the aircraft. The EGI will include Selective Availability anti-Spoofing Module (SAASM) security modules to be used for secure GPS PPS.

4. If a technologically advanced adversary were to obtain knowledge of the specific hardware or software in this proposed sale, the information could be used to develop countermeasures which might reduce weapon system effectiveness or be used in the development of a system with similar or advanced capabilities.

5. A determination has been made that the recipient country can provide the same degree of protection for the sensitive technology being released as the U.S. Government. This sale is necessary in furtherance of the U.S. foreign policy and national security objectives outlined in the Policy Justification.

6. All defense articles and services listed in this transmittal have been authorized for release and export to the Government of the Netherlands.

[FR Doc. 2015-07515 Filed: 4/1/2015 08:45 am; Publication Date: 4/2/2015]